

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: June 14, 2002

SUBJECT: Fiscal Impact Statement: "Supervisory Fire Communications Operators Compensation System Change Approval Resolution of 2002"

REFERENCE: Draft Legislation as Introduced – No Number Available

Conclusion

Funds are sufficient in the FY 2002 budget and the FY 2003 through FY 2006 budget and financial plan as currently agreed to by the Mayor and the Council of the District of Columbia (Council).

Background

The proposed resolution would approve the transfer of four persons from one compensation system pay schedule to another. The resolution authorizes the use of District pay schedule XFA A01, the appropriate pay schedule for these four full-time equivalent (FTE) supervisory positions.

Financial Plan Impact

Funds are sufficient in the FY 2002 budget and the proposed FY 2003 through FY 2006 budget and financial plan to implement the provisions of the proposed legislation. The proposed compensation system change impacting the four FTE positions was assumed to meet with Council approval when the proposed budget and financial plan was developed. The following table presents the costs associated with implementing the provisions of the proposed legislation.

| Expenditure Impact to the District Financial Plan (\$ in 000s) | | | | | |
|--|----------------|----------------|----------------|----------------|---------------|
| FY 2002¹ | FY 2003 | FY 2004 | FY 2005 | FY 2006 | TOTAL |
| \$3.7 | \$21.5 | \$22.2 | \$22.9 | \$23.7 | \$94.0 |

The table assumes a 15 percent fringe benefit rate and applies a 3.3 percent inflationary factor following the first complete fiscal year, thus beginning in FY 2004.

¹ FY 2002 estimate assumes implementation on July 28, 2002.